

ADOPTED 2005 BUDGET

DEPT: CAPITAL OUTLAY/DEPRECIATION CONTRA

UNIT NO. 1985
FUND: General - 0001

OPERATING AUTHORITY & PURPOSE

Pursuant to the provisions of Sections 59.17 and 59.51(2) of the Wisconsin Statutes, the County Board may represent the County and have the

management of the business and concerns of the County in all cases where no other provision is made.

BUDGET SUMMARY			
	2004 Budget	2005 Budget	2004/2005 Change
Total Expenditures	\$ (13,149,965)	\$ (12,568,810)	\$ 581,155
Total Revenues	6,058,447	6,116,461	58,014
Direct Property Tax Levy	\$ (19,208,412)	\$ (18,685,271)	\$ 523,141

Proprietary Fund departments include Enterprise Fund departments (e.g., Behavioral Health Division) and Internal Service Fund departments (e.g., DAS-Information Management Services Division). Budgeting for Proprietary Fund departments in accordance with Generally Accepted Accounting Principles (GAAP) requires that Proprietary Funds expense the cost of fixed assets over the life of the asset through depreciation. Prior to 1997, fixed assets were defined as buildings and equipment with a cost in excess of \$500. In 1997, the definitions regarding fixed assets changed. The per unit cost for non-computer equipment must exceed \$2,500 per unit and have a useful life greater than one year. Computer related equipment must exceed \$1,000 to be considered a fixed asset.

Appropriations for Depreciation are included in Proprietary Fund departmental budgets while appropriations for Capital Outlay - Fixed Assets, the original cost for the fixed asset, are excluded from those budgets. To ensure proper budgeting in accordance with GAAP, yet also ensure that these departments retain control over the purchase of

fixed assets, Proprietary Fund departments reflect an appropriation for Capital Outlay - Fixed Assets and an offsetting credit appropriation.

However, the cost of Capital Outlay - Fixed Assets for Proprietary Fund Departments should be included in the property tax levy. In order to achieve this, all capital outlay costs for Proprietary Fund Departments are included in this non-departmental budget. The costs for depreciation should not be included in the tax levy, therefore, an offsetting contra for all Proprietary Fund Departments' depreciation costs is included in this non-departmental budget. This budgetary procedure has no County-wide tax levy impact.

The following table depicts the capital outlay by department for 2005 compared to 2004, the amount of depreciation in 2005 compared to 2004 and finally, the combination of these two entries that determines the tax levy amount for this non-departmental budget.

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Org.	Department Name	2004 Capital Outlay	2005 Capital Outlay	2004/2005 Change
1150	DAS-Risk Management	\$ 0	\$ 0	\$ 0
1160	DAS-IMSD	106,260	60,000	(46,260)
5040	Airport	718,650	951,100	232,450
5070	Transportation Services	0	0	
5080	Arch., Eng. & Environ Srvs	5,000	0	(5,000)
5300	Fleet Management	13,980	13,090	(890)
5600	Transit/Paratransit	621,000	615,500	(5,500)
5700	Facilities Management	0	0	0
6300	DHHS-Behavioral Health Division	7,100	235,964	228,864
TOTAL		\$ 1,471,990	\$ 1,875,654	\$ 403,664

Org.	Department Name	2004 Depreciation Contra	2005 Depreciation Contra	2004/2005 Change
1150	DAS-Risk Management	\$ (18,939)	\$ (18,939)	\$ 0
1160	DAS-IMSD	(3,501,091)	(3,501,091)	0
5040	Airport	(6,261,200)	(6,162,100)	99,100
5070	Transportation Services	0	(13,258)	(13,258)
5080	Arch., Eng. & Environ Srvs	(87,328)	(66,530)	20,798
5300	Fleet Management	(2,669,125)	(2,648,310)	20,815
5600	Transit/Paratransit	(2,679,000)	(3,000,000)	(321,000)
5700	Facilities Management	(3,089,490)	(2,717,275)	372,215
6300	DHHS-Behavioral Health Division	(913,361)	(815,440)	97,921
TOTAL		\$ (19,219,534)	\$ (18,942,943)	\$ 276,591

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FUND: General - 0001

Fund Type:	Org. Department Name	Capital Outlay	Depreciation Contra	Net Total Contra
Internal Service	1150-DAS-Risk Management	\$ 0	\$ (18,939)	\$ (18,939)
Internal Service	1160-DAS-IMSD	60,000	(3,501,091)	(3,441,091)
Enterprise	5040-Airport	951,100	(6,162,100)	(5,211,000)
Internal Service	5070-Transportation	0	(13,258)	(13,258)
Internal Service	5080-Arch., Eng. & Environ Svcs	0	(66,530)	(66,530)
Internal Service	5300-Fleet Management	13,090	(2,648,310)	(2,635,220)
Enterprise	5600-Transit/Paratransit	615,500	(3,000,000)	(2,384,500)
Internal Service	5700-Facilities Mgmt.	0	(2,717,275)	(2,717,275)
Enterprise	6300-DHHS-Behavioral Health Division	235,964	(815,440)	(579,476)
SUBTOTAL		\$ 1,875,654	\$ (18,942,943)	\$ (17,067,289)
Airport Capital Reserve Year-End Closing Entry*				(1,617,982)
TOTAL TAX LEVY IMPACT				\$ (18,685,271)

* To accurately budget the effect of the Agreement between General Mitchell International Airport (GMIA) and the carriers serving GMIA, this non-departmental budget reflects the fact that the Airport Capital Reserve will be charged and the general fund balance will be credited for \$1,617,982 as a year-end closing entry for the year 2005. This entry includes \$4,498,479 for non-terminal depreciation offset by contributions from reserves of \$951,100 for capitalized operating items and \$5,165,361 for principal on non-terminal GMIA and Lawrence J. Timmerman Airport debt, resulting in the net credit of \$1,617,982.

EXPENDITURES/REVENUE SUMMARY			
	Expenditure	Revenue	Tax Levy
Capital Outlay-reflects appropriations for Proprietary Fund departments	\$ 1,875,654	\$	\$
Depreciation Contra-offsets depreciation cost in Proprietary Fund departments.	(18,942,943)		
<u>Airport Year-End Closing Entry</u>			
Airport non-terminal depreciation	4,498,479		
Contribution from Capital Improvement Reserves:			
Payment for Airport capitalized operating items		951,100	
Non-Terminal Project Principal		5,165,361	
TOTAL	\$ (12,568,810)	\$ 6,116,461	\$ (18,685,271)